

Objectives, Actions
and Performance

COFFEE

FACTSHEET

2025



ALDI SOUTH Group



CONTENTS

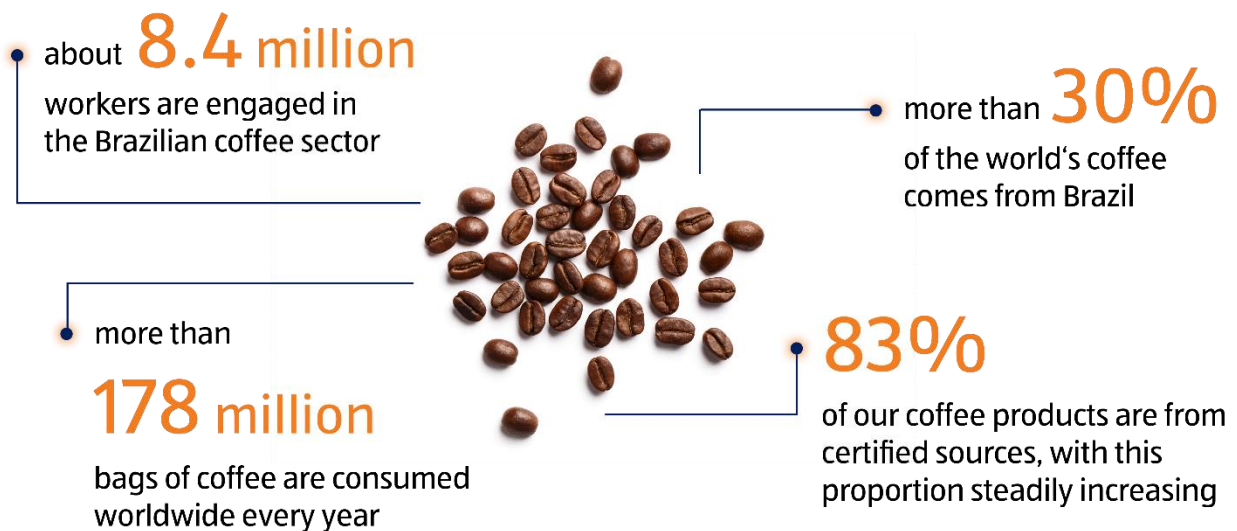
1 Introduction	3
2 Facts & Figures	3
3 Transparency & Traceability	4
4 Partnership with Newcoffee	5
5 Certification & Standards	6
5.1 Going Beyond Certification	6
6 Supply Chain	7
6.1 Visits & Assessments	7
6.2 Human Rights	7
6.2.1 Human Rights Risk Assessment	7
6.2.2 Human Rights Impact Assessment	7
7 Stakeholder Dialogue & Capacity Building	7
7.1 Multi-Stakeholder Initiative: Sustainable Coffee Challenge (SCC)	8
7.2 Direct Sourcing	8
7.2.1 Direct Sourcing Approach	8
7.3 Projects on the Ground	9
7.3.1 Living Income Gap	9
Contact Info	10

1 | INTRODUCTION

Coffee is among the world's most-traded raw materials and is predominantly cultivated by smallholder farmers in sub-tropical regions. Sourcing coffee presents human rights and environmental challenges, including the risk of deforestation. The ALDI SOUTH Group is committed to promoting fair working conditions and environmentally friendly production in coffee cultivation.

One way we are doing this is by sourcing third-party certified products to ensure that producers receive a fair price for their products and that climate change adaption and deforestation are addressed. We also conduct origin visits to key sourcing countries, participate in projects on the ground, and work to improve supply chain transparency through direct sourcing models.

2 | FACTS & FIGURES



3 | TRANSPARENCY & TRACEABILITY

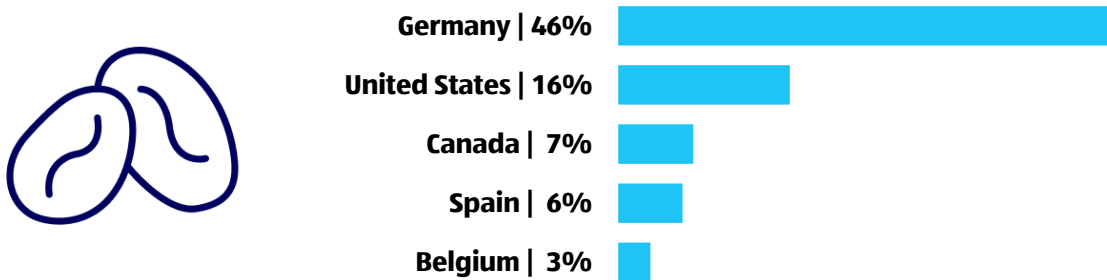
Ensuring transparency in our supply chain is the foundation of our sustainability measures. We cannot ensure compliance with our requirements, analyse risks, monitor or implement projects without knowledge of the origin of our products. We collaborate with our business partners to increase the transparency of our supply chains so that we can better understand the origin of each product we sell, and the raw materials used.

Coffee Suppliers

In 2021, we began publishing the names and addresses of our direct business partners (Tier 1 suppliers) for coffee. The latest list includes suppliers used to produce ALDI SOUTH Group products for the period of 2023/2024 (excluding branded suppliers and Australia-only suppliers). All disclosed suppliers have given their consent for their information to be published.

Download the list as an Excel file [here](#).

Countries of final production facilities for our coffee products



Countries of final production facilities where our coffee products are manufactured, based on the 2024 Buying Volume.

4 | PARTNERSHIP WITH NEWCOFFEE

NewCoffee has been roasting high-quality coffee in Germany since the 1960s. The company was initially set up to supply ALDI SÜD Germany and is now the primary coffee producer for our entire ALDI business group. But this does not mean that every country gets the same cup of coffee: Our customers can choose from ground coffee, whole beans, to (Nespresso® compatible) capsules and pads - whether it's Barissimo in Europe, the UK and the United States or the UK-only premium brand Specially Selected. The product range includes mild, full-bodied or decaffeinated variants, seasonal and special articles and a wide variety of aromas.

NewCoffee Facts



owned by
ALDI and based in
Germany



Since **1960s**
high-quality
coffee roasting



Over **35K**
metric tonnes of
coffee produced
per year



All **11**
ALDI SOUTH Group
markets offer own-
brand NewCoffee
products



More than **100**
different
products offered
worldwide

Putting a focus on responsible and sustainable sourcing

NewCoffee sources the raw beans for our high-quality coffees from Brazil, Vietnam, Honduras, Peru, Tanzania, Kenya and Colombia – among others. Environmental and labour standards in these regions are often low. Many farmers and coffee-growing communities are vulnerable to price volatility, deforestation and the effects of climate change.

Our goal as a company is not only to deliver first-class products but also to ensure fair working conditions and environmentally friendly production along our coffee supply chain. To drive change, NewCoffee almost exclusively purchases green coffee from certified farms and supports direct sourcing models.

Guaranteeing quality through high production standards

NewCoffee also follows strict production standards to ensure the stable quality and security of products through sustainable production practices. NewCoffee's production facilities are IFS and ISO (50001, 45001 & 14001) certified, continuously improving energy use and management, reducing waste or increasing the use of recyclable materials while also warranting a safe working environment.

How partnering with NewCoffee makes a difference

Over the past few decades, the ALDI SOUTH Group and NewCoffee have built a strong partnership and a shared and growing commitment to sustainability. To set ourselves up for success, we discuss strategic issues and legislative requirements, e.g. the EU deforestation regulation, to understand how they affect us as a business and what they mean for our local coffee farmers. We also regularly visit our coffee-growing counties to better understand our coffee supply chains and strengthen our relationships with reliable key suppliers. In 2024 a team composed of colleagues from the ALDI SOUTH Group and NewCoffee travelled to Brazil and Vietnam to learn how the local farmers are working to comply with EU deforestation regulations.

This long-term partnership between the ALDI SOUTH Group and NewCoffee allows us to offer our customers great quality at a great price and to raise sustainability standards throughout our coffee supply chain.

5 | CERTIFICATION & STANDARDS

Smallholder farmers in coffee-growing regions face multiple challenges, including poverty, commodity price fluctuations and the effects of climate change – which, as a result, also affect our coffee supply chains. To tackle these issues, independent third-party certifications provide reliable mechanisms for positively influencing our supply chains. They allow us as a retailer to reinforce quality, environmental and social standards. By sourcing from suppliers adhering to sustainability standards such as Fairtrade International, Fair Trade USA, Rainforest Alliance, or organic certification, we can assure our customers that we support coffee-growing communities, protect biodiversity, and prevent deforestation.

5.1 | GOING BEYOND CERTIFICATION

While certification is crucial in setting certain standards, we recognise that it does not always provide a viable solution to the complex problems faced by farmers and workers in coffee production and harvesting. That is why we are taking further action:

Developing a coffee sourcing strategy with NewCoffee

NewCoffee supplies around 50% of ALDI's own label coffee volume to the entire business group and, consequently, facilitates an impact on our supply chains. We are working closely with the roaster on a new joint coffee sourcing strategy. We aim to focus on integrating responsible sourcing practices that go beyond certification. Building long-term relationships with trusted coffee growers and increasing our purchasing volumes provides more planning stability. As a result, suppliers and growers in our main countries of origin - Brazil, Vietnam, Honduras, and Peru – invest more in meeting our human rights and environmental standards.

Sustainability schemes

Additionally, we assess other schemes and programmes that support responsible coffee sourcing practices in our countries of origin. Major coffee traders have developed ambitious and holistic supply chain programmes that focus on close collaboration and supply chain transparency. These initiatives are not only valued by the coffee farming community but are also recognised by the [Global Coffee Platform \(GCP\)](#) as robust sustainability schemes. ALDI considers incorporating such schemes where they effectively address the main risks in our coffee-growing regions.

6 | SUPPLY CHAIN

6.1 | VISITS & ASSESSMENTS

As part of our engagement, we regularly visit and assess production and processing sites together with business partners in our coffee supply chains.

6.2 | HUMAN RIGHTS

We are committed to respecting human rights and improving living and working conditions throughout our supply chains.

6.2.1 | Human Rights Risk Assessment

We regularly conduct human rights risk assessments to examine the risks within our food and agriculture supply chains. The purpose of these assessments is to identify any adverse impacts our company may have on human rights, gain insights into our actual impacts, and understand how we may be involved through our own activities or as a result of our business relationships.

We have identified coffee as a raw material with a high risk of adverse impacts on the enjoyment of human rights and consider it most important to the ALDI SOUTH Group.

6.2.2 | Human Rights Impact Assessment

The ALDI SOUTH Group has committed to conducting comprehensive human rights impact assessments (HRIAs) that follow a stringent methodological approach, which includes extensive background research and engagement with rightsholders. The HRIAs help us identify, understand, and evaluate the potential and actual adverse impacts of our business activities on workers and other affected rightsholders, such as community members, smallholder farmers, and women. So far, we have published the results of three HRIAs in selected high-priority supply chains: avocados from Peru, Brazil nuts from Bolivia, and coffee from Brazil. For more information, please refer to our [Human Rights Impact Assessment Report: Coffee from Brazil](#) and [Ethical Recruitment on Coffee Farms in Brazil](#) resources.

For further details on all our commitments and key standards, please refer to our [Human Rights Factsheet](#).

7 | STAKEHOLDER DIALOGUE & CAPACITY BUILDING

We believe the most effective way to safeguard both people and the environment is through collaborative initiatives and partnerships. Therefore, we work closely with our suppliers and participate in a multi-stakeholder initiative, as well as running our own projects on the ground.

7.1 | MULTI-STAKEHOLDER INITIATIVE: SUSTAINABLE COFFEE CHALLENGE (SCC)



In 2020, the ALDI SOUTH Group joined the [Sustainable Coffee Challenge \(SCC\)](#). Within this initiative, we work with other retailers, traders, governments, NGOs, and research institutions to improve living and working conditions in the global coffee sector.

7.2 | DIRECT SOURCING

7.2.1 | Direct Sourcing Approach

Following a Fairtrade project that was completed in 2022, NewCoffee established direct sourcing relationships with cooperatives in Honduras. This connection enables the ALDI SOUTH Group to have a positive impact in some of its most important coffee sourcing regions.

Directly sourcing coffee refers to raw (green) coffee that ALDI SOUTH Group’s coffee roaster negotiates, purchases, and imports directly from the country of origin. This means that there are no third parties or middlemen involved, and the transfer of ownership occurs, at the latest, at the port of shipment.

It should not be confused with coffee sourced directly from the producer. In most cases (90%), this coffee comes from smallholders who do not produce enough coffee to export directly. Instead, they export through associations, groups, or cooperatives that trade on their behalf.

Direct sourcing simplifies a complex value chain, bringing producers and final consumers closer together, and increasing the transparency of coffee supply chains. Direct sourcing relationships are built on trust and are designed to offer both parties long-term security.

In 2024 the ALDI SOUTH Group’s coffee roaster directly sourced from the following Fairtrade-certified cooperatives in Honduras:

Cafés Finos Corquín (CAFICO)	Cafés Especiales Corquin (CAFESCOR)
<p>Location: Corquin, Copán (Honduras)</p> <p>Number of members: 135 (108 males, 27 females)</p>	<p>Location: Jimilile, Corquin, Copán (Honduras)</p> <p>Number of members: 440 (353 males, 87 females)</p>



These cooperatives receive a Fairtrade Premium helping to address the challenges in coffee production and ensuring the long-term sustainability of smallholder coffee production in Honduras. The directly sourced coffee from the cooperatives can be bought in HOFER stores in Austria and in ALDI Stores in Switzerland, making sure that the daily cup of coffee bought at ALDI remains sustainable for everyone.

7.3 | PROJECTS ON THE GROUND

7.3.1 | Living Income Gap

The ALDI SOUTH Group is partnering with [OFI \(Olam Food Ingredients\)](#) on a four-year project in Honduras to reduce the living income gap by improving market access and coffee quality.

The global coffee supply chain is very complex. Typically, coffee beans are bought and sold by several intermediaries before being exported. Additionally, low yields, fluctuating prices, and the climate crisis can make it even harder for farmers to earn a reliable income.

The joint project aims to create a transparent and traceable coffee supply chain up to the farm level. It also aims to narrow the living income gap of 1,000 coffee producers in Honduras by helping them increase yields, improve coffee quality, and achieve [Rainforest Alliance](#) certification. Local representatives and farmers receive training through an innovative smartphone app that will enable them to make informed decisions and trade their coffee directly with OFI. Each farmer will receive tailored training, agricultural inputs, and tools over four years to help narrow the living income gap.

Tracking the project’s progress will help us achieve our shared goals and learn how to scale our impact. This will lift farmers out of poverty and create a more promising future for generations to come.

For more information on living income, please refer to our [International Position Statement on Living Wages and Living Incomes](#) which outlines our approach to support a decent standard of living for all people.

Impact Stories

Danyni, Eugenio, and José are three Honduran farmers who shared their project impact stories with ALDI and OFI.



Danyni Amaya

As a woman in a male-dominated industry, Danyni has faced many challenges. Through the project, she has learned to use a smartphone app to manage her coffee business, which has helped her increase her income and improve her coffee quality. She has also received training on agricultural inputs and tools, which has helped her increase her yields and improve her coffee quality. Danyni is now able to trade her coffee directly with OFI, which has helped her increase her income and improve her coffee quality.



Impact Story - Danyni Amaya



Eugenio Nuñez

Eugenio has been a coffee farmer for many years. Through the project, he has learned to use a smartphone app to manage his coffee business, which has helped him increase his income and improve his coffee quality. He has also received training on agricultural inputs and tools, which has helped him increase his yields and improve his coffee quality. Eugenio is now able to trade his coffee directly with OFI, which has helped him increase his income and improve his coffee quality.



Impact Story - Eugenio Nuñez



José Velásquez

José has been a coffee farmer for many years. Through the project, he has learned to use a smartphone app to manage his coffee business, which has helped him increase his income and improve his coffee quality. He has also received training on agricultural inputs and tools, which has helped him increase his yields and improve his coffee quality. José is now able to trade his coffee directly with OFI, which has helped him increase his income and improve his coffee quality.



Impact Story - Jose Velasquez



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